

June 16, 2014

Dear Colleague:

I am pleased to announce the Illinois Coal Competitiveness Program for FY2015. This program is a vital part of the state's efforts to create new jobs and stimulate private investment in the Illinois coal industry and related enterprises.

For Illinois coal to be viable in today's highly competitive domestic and international fuel markets, our state's coal producers, transporters and users must implement the best practices and deploy the best technology available. The program seeks to foster an improved competitive edge for Illinois-mined coal through financial incentives supporting mine safety, cutting-edge clean coal technology development, improved coal mine productivity and coal delivery efficiency.

We are soliciting applications for projects that will initiate work prior to June 2015. The target date for applications is August 15, 2014. Although the pool of grant funds has diminished in recent years, DCEO's Office of Coal Development (OCD) intends to co-fund as many worthy FY15 projects as possible. We encourage proposals that include purchase and installation of proximity detection miner safety equipment on mobile mining equipment, or the purchase of MSHA approved dust suppression equipment.

Since the program's inception in 1996, OCD has awarded grants totaling more than \$217 million to 443 projects. These dollars have leveraged more than \$2.5 billion in private investment within Illinois, bringing meaningful improvements to the coal and energy infrastructure of the state. Our goal is to have each project impact the marketability of Illinois coal and improve the competitive position of the Illinois coal industry.

Given your organization's vested interest in the overall success of Illinois' coal and energy industries, we encourage you to initiate one or more project proposals. Feel free to share this program announcement with any other person in your organization that you deem appropriate. Please contact my office should you have any questions regarding this solicitation. I look forward to hearing from you.

Sincerely,

Bill Hoback

Chief, Office of Coal Development

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